



Roanoke City Council

**FY15 Financial Report
(Unaudited)**

**City of Roanoke
Roanoke City Public Schools**

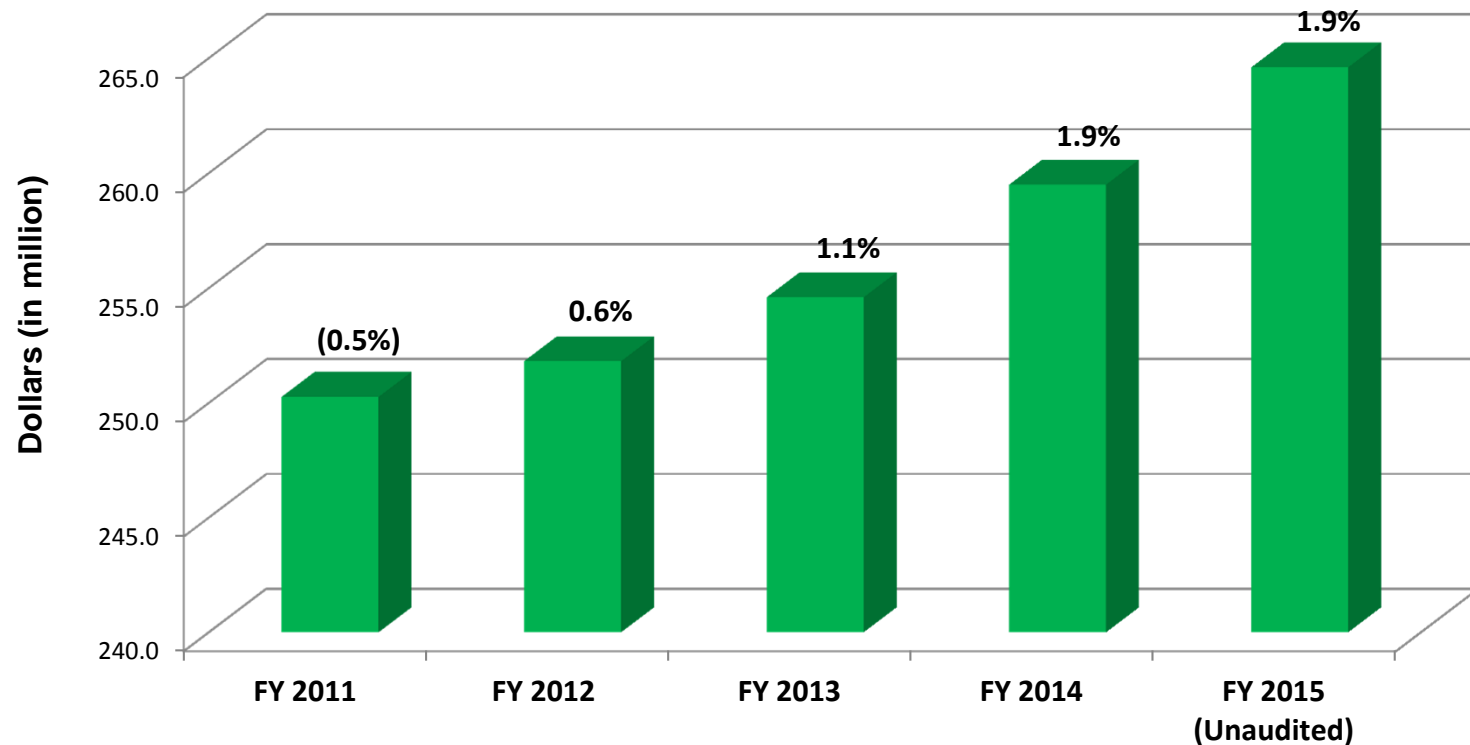
November 2, 2015



Key Themes of Fiscal 2015

- Modest local tax revenue growth
- Compared to FY14, more than 5% increase in Personal Property, Sales, Public Service – Real Estate, Business License, Lodging and Meals taxes; 10% decrease in Public Service – Personal Property
- Additional funding of reserves – increased risk reserve and maintained general fund reserve
- Roanoke Pension Plan investment rate of return for the year was 3.8%. Funded ratio increased from 67.8% to 70.4%.

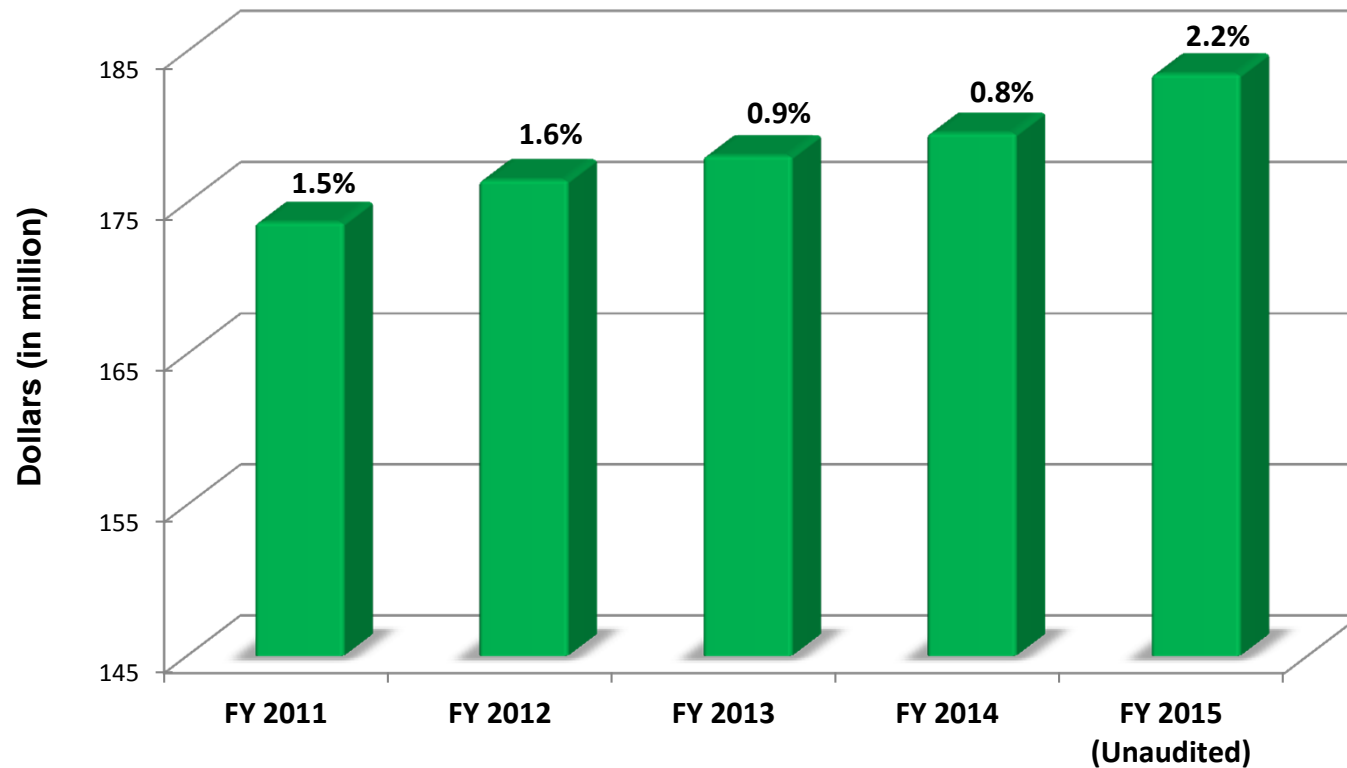
Continued Increase in General Fund Revenues



To enhance comparability, FY10-12 data were adjusted for daycare revenues. Effective in January 2012, the Commonwealth began paying daycare services directly.

Source: City of Roanoke CAFR FY2011-FY2014 and Unaudited FY2015 Financial Statements

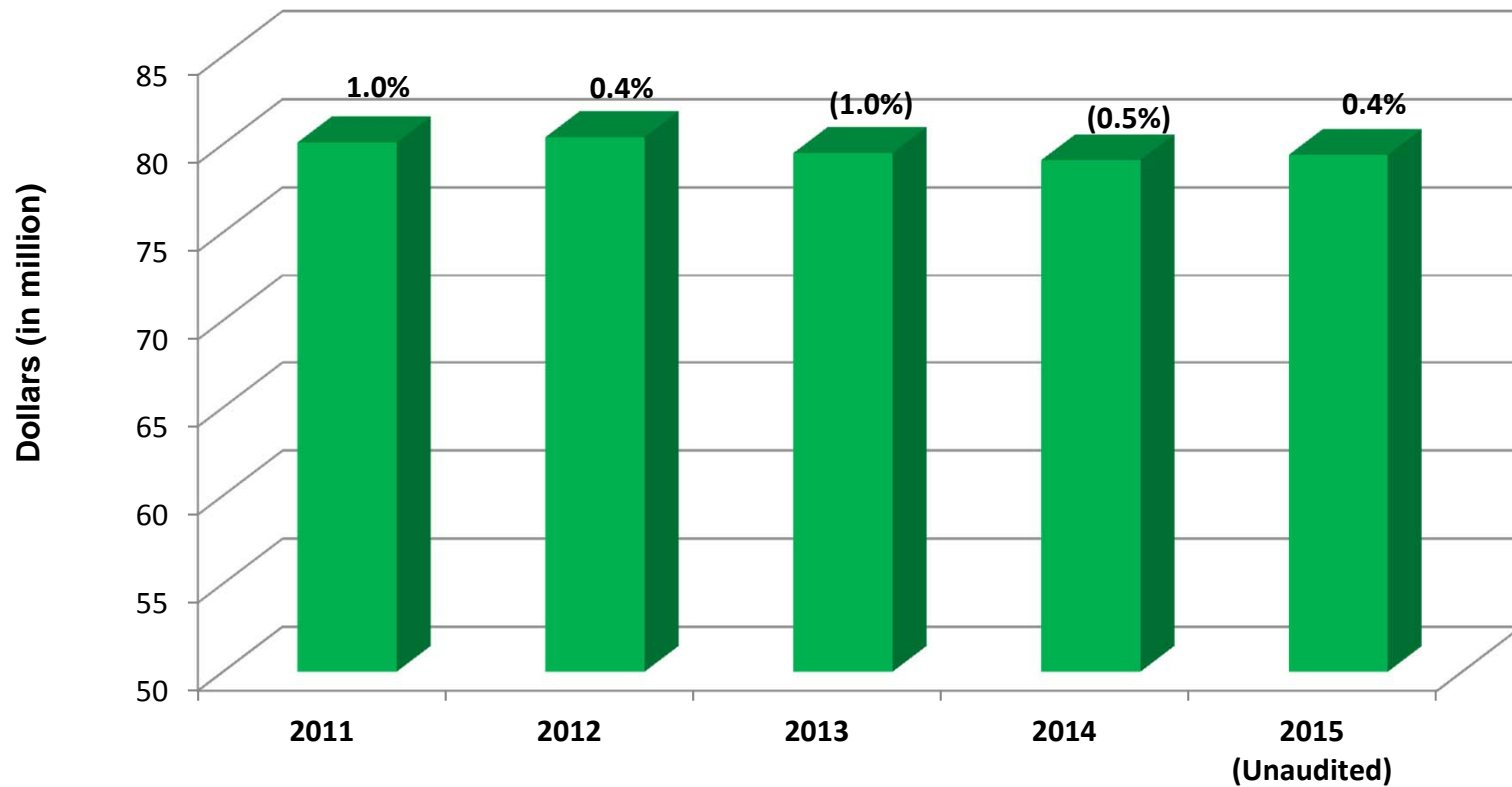
Total Local Taxes Increased for Fifth Year (Includes General Property and Other Local Taxes)



To enhance comparability, data excludes 2% meals tax in FY11 and FY12 and the 1% increase in the Lodging tax in FY13.

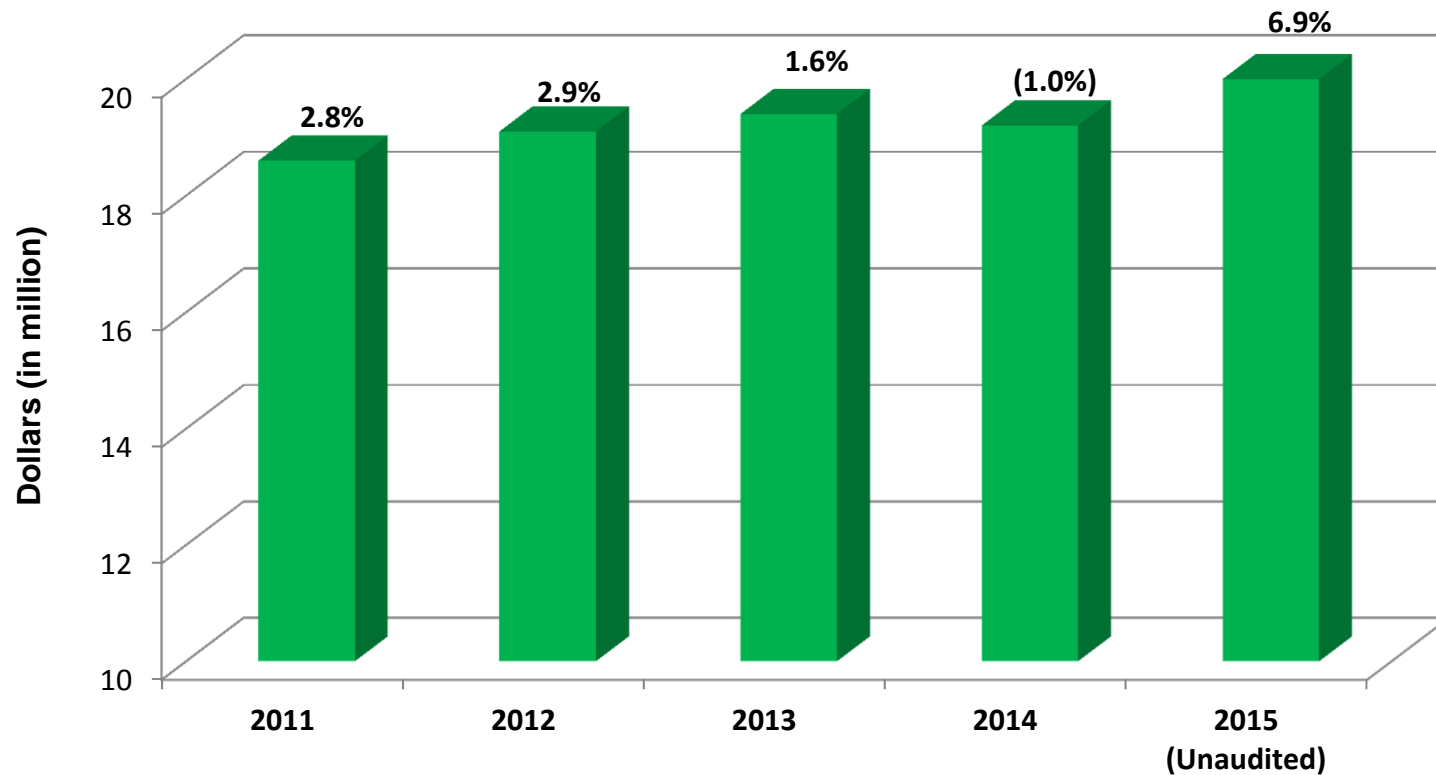
Source: City of Roanoke CAFR FY 2011-FY 2014 and Unaudited FY 2015 Financial Statements

Real Estate Tax Revenues Stable



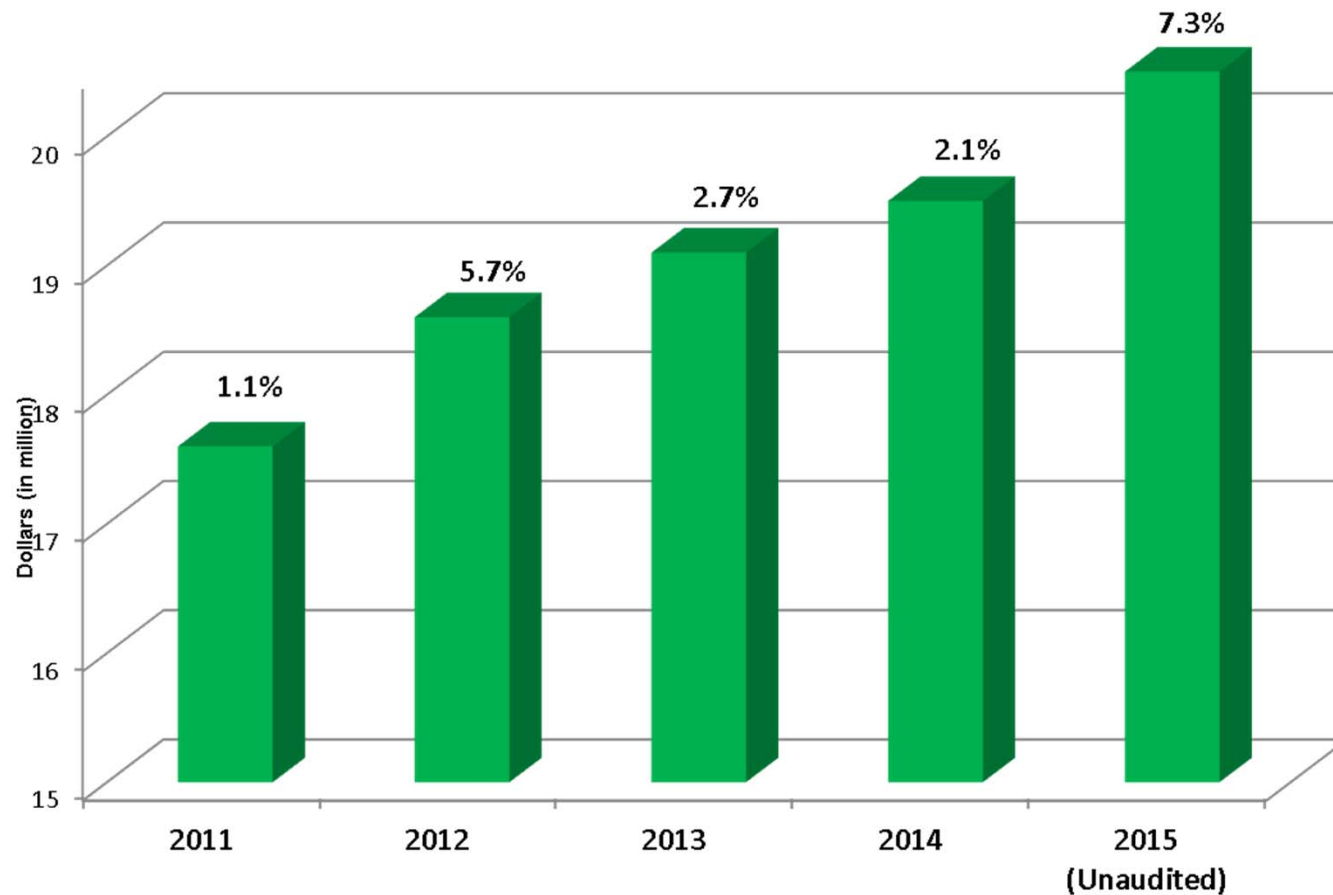
Source: City of Roanoke CAFR FY 2011-FY 2014 and Unaudited FY 2015 Financial Statements

Sales Tax Strong Growth in FY15



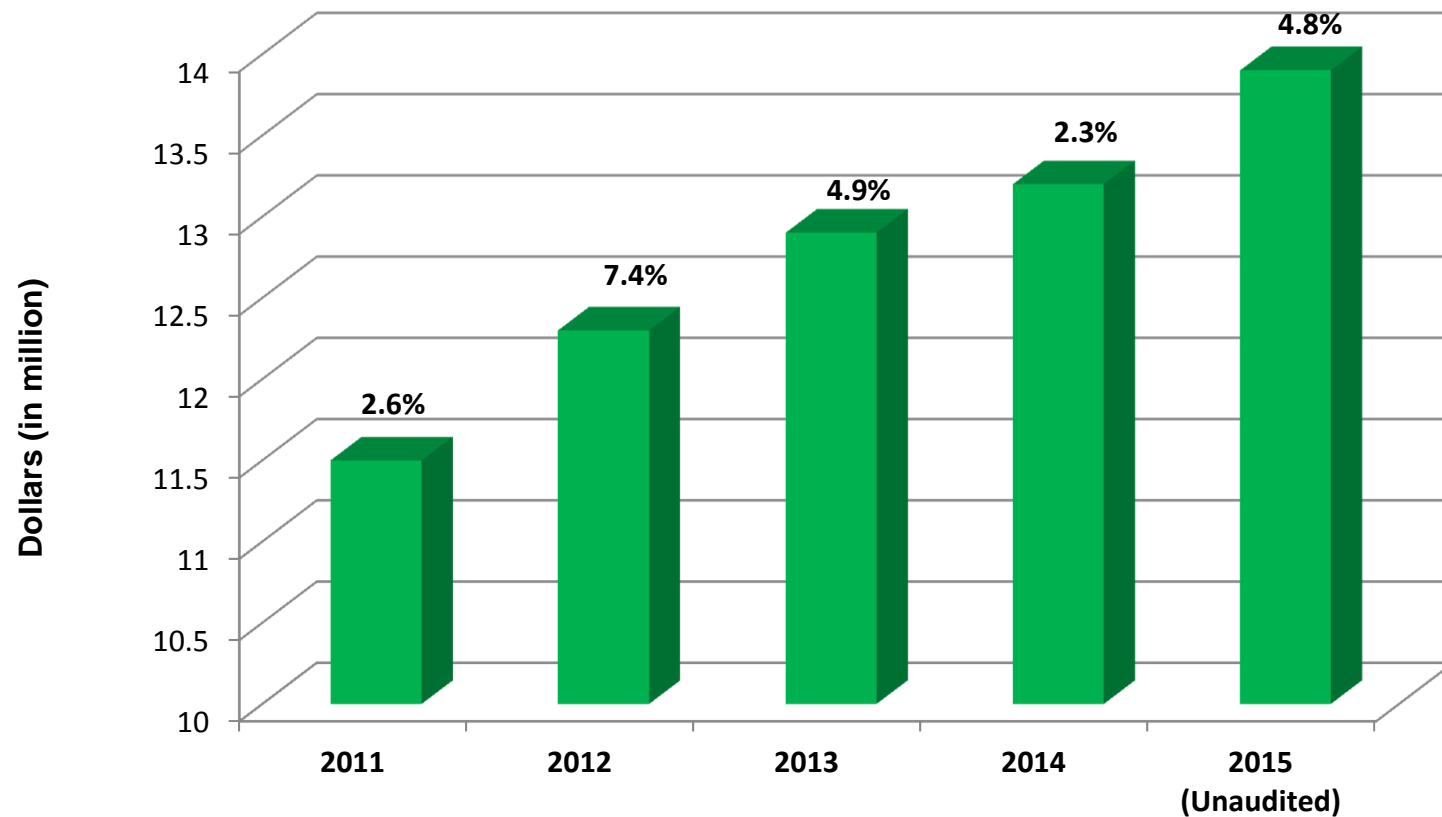
Source: City of Roanoke CAFR FY 2011-FY 2014 and Unaudited FY 2015 Financial Statements

Current Year Personal Property Tax Growth in FY15



Source: City of Roanoke CAFR FY 2011-FY 2014 and Unaudited FY 2015 Financial Statements

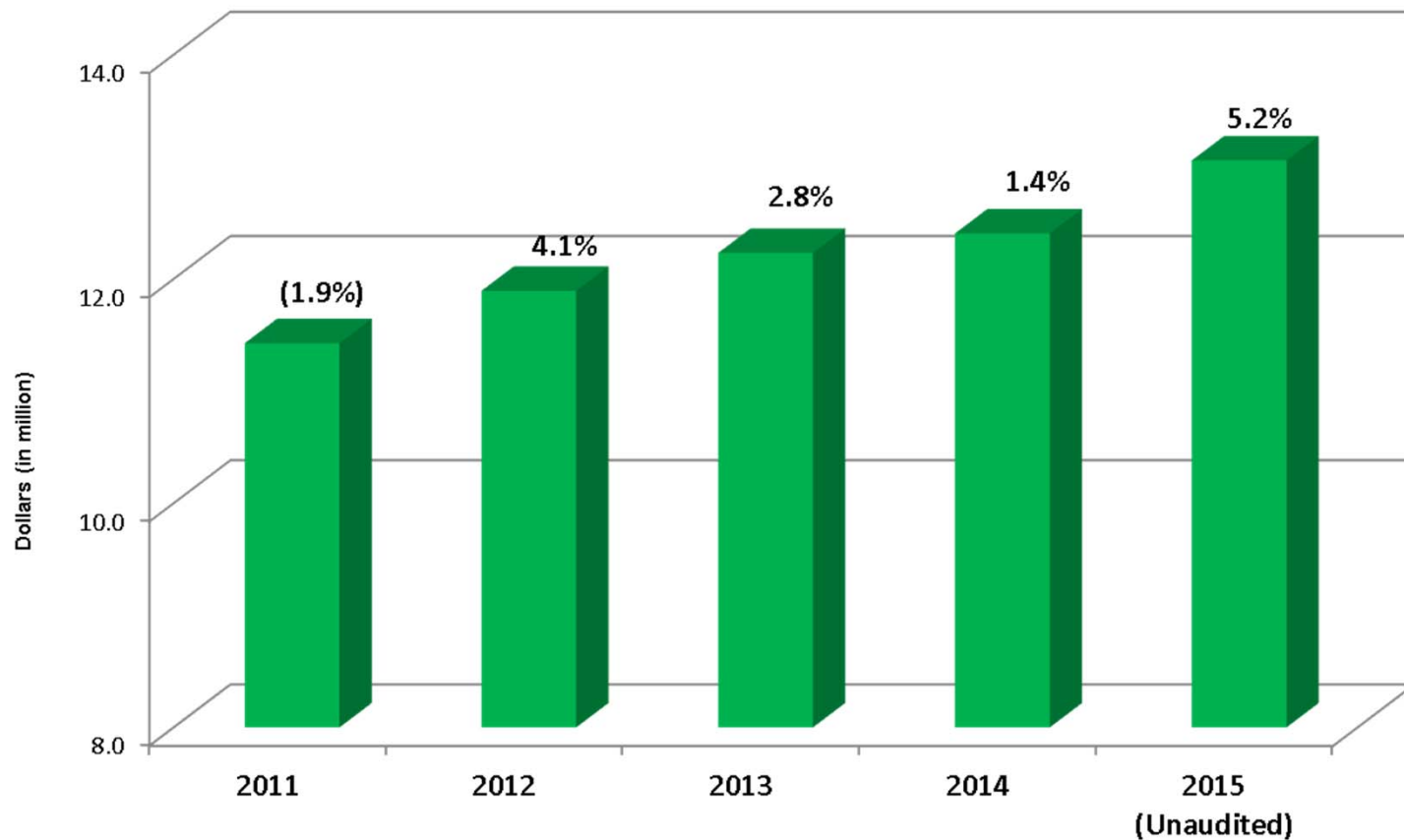
Meals Tax Continues Strong Growth Pattern



To enhance comparability, data excludes 2% meals tax component of FY11 and FY12.

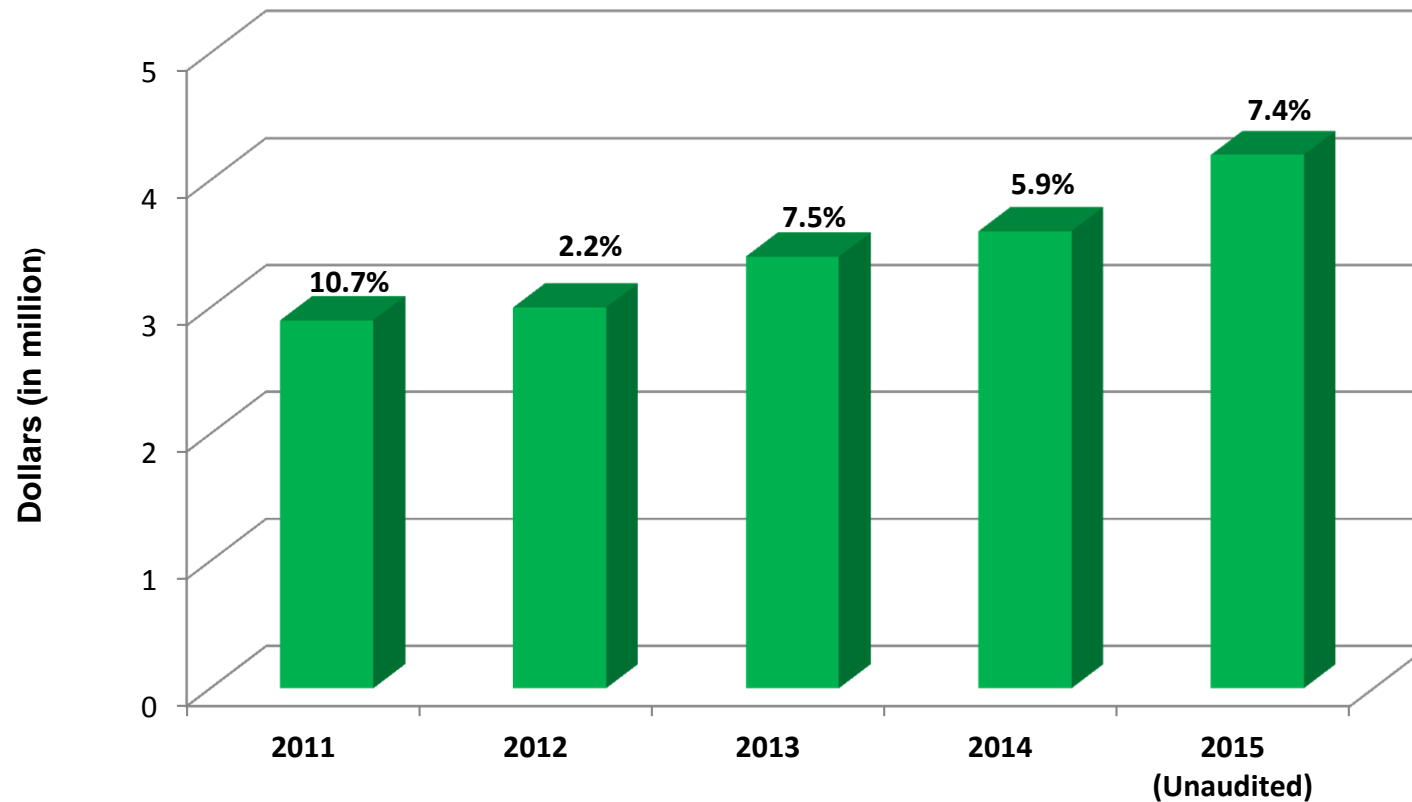
Source: City of Roanoke CAFR FY 2011-FY 2014 and Unaudited FY 2015 Financial Statements

Current Business License Tax Growth



Source: City of Roanoke CAFR FY 2011-FY 2014 and Unaudited FY 2015 Financial Statements

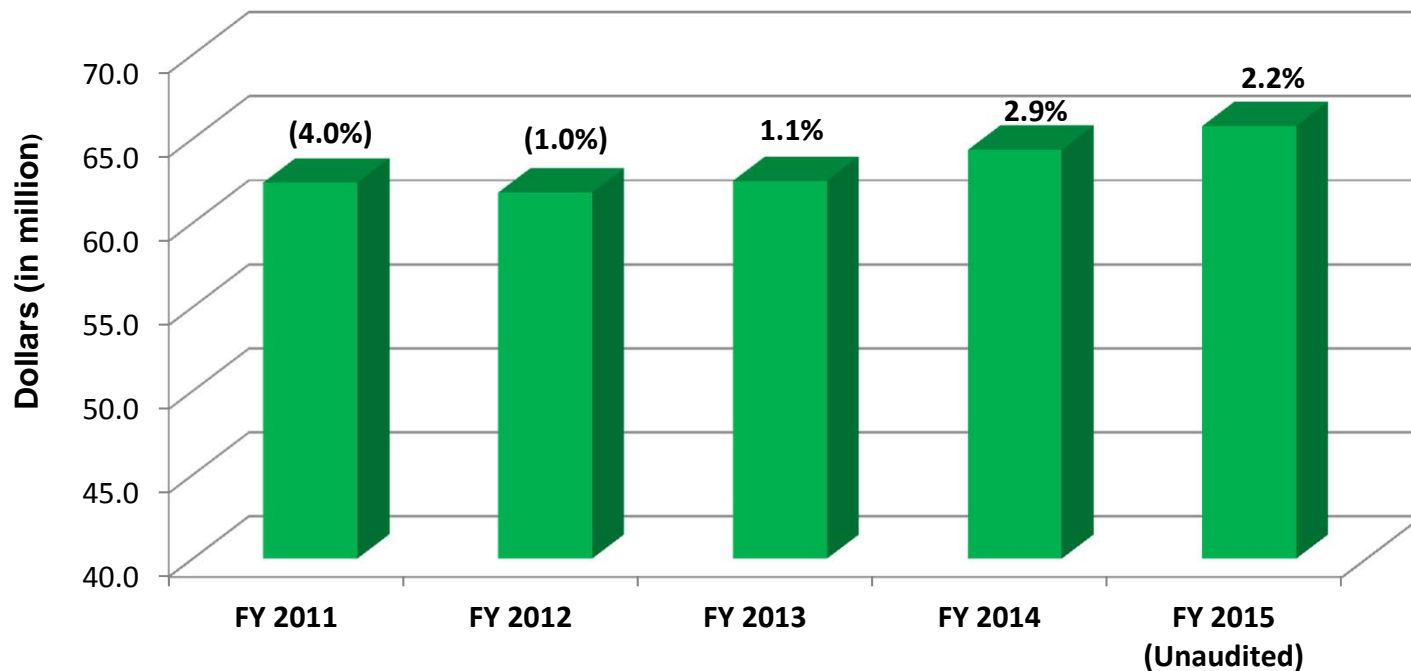
Strong Lodging Tax Growth Indicative of Roanoke Tourism Gains



To enhance comparability, FY13 – FY15 was adjusted to remove the 1% increase effective January 1, 2013.

Source: City of Roanoke CAFR FY 2011-FY 2014 and Unaudited FY 2015 Financial Statements

Commonwealth Funding



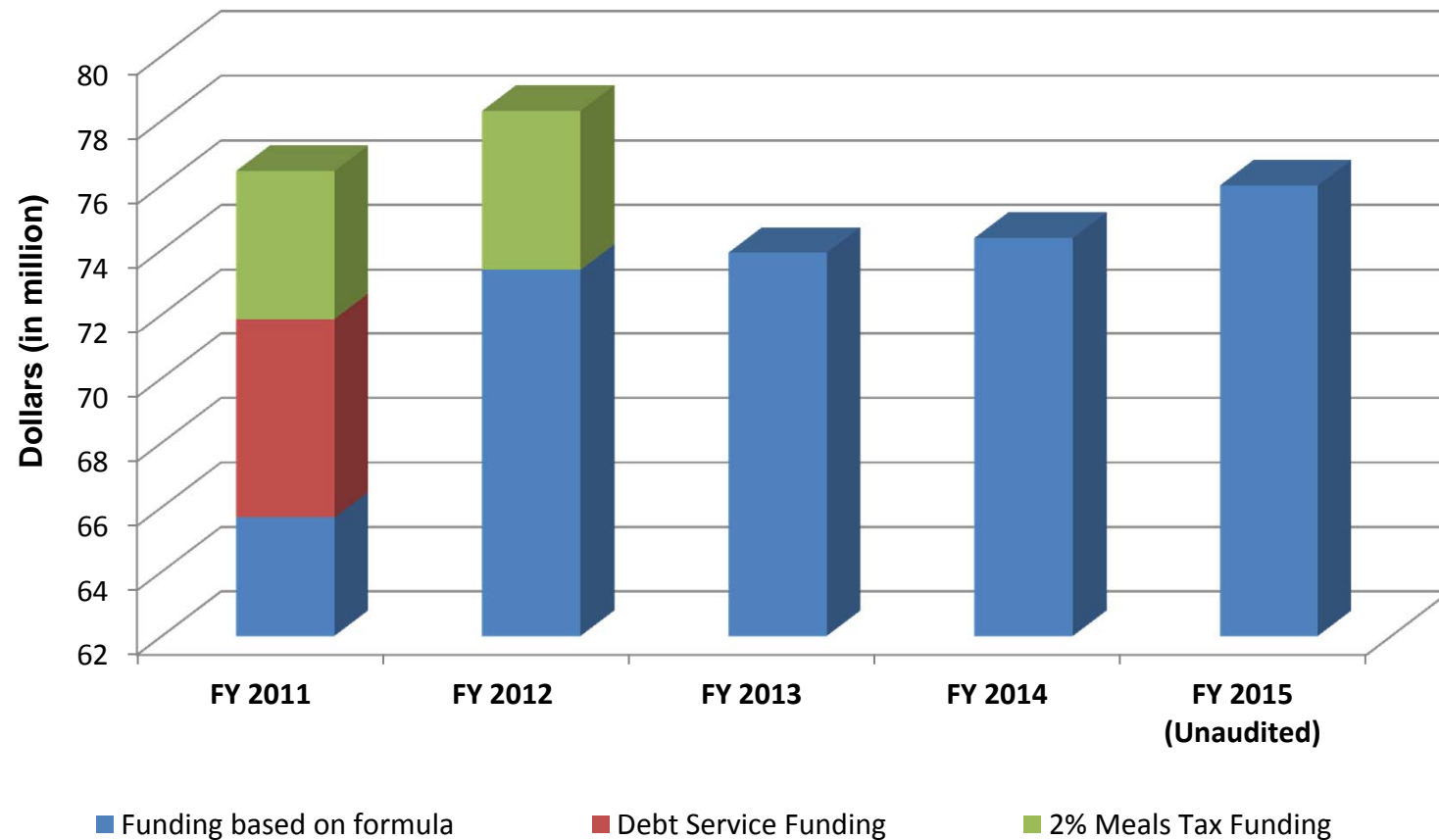
To enhance comparability, data excludes Daycare revenues in all fiscal years. Effective in January 2012, the Commonwealth began paying daycare services directly. Local aid to the Commonwealth was eliminated in FY14, having a positive effect on revenues. Data excludes this impact in FY13 to enhance comparability. Due to state budget cuts, this local aid was reinstated in FY15. The impact to the City was \$682,000 revenue reduction which has been excluded for comparability.



Disciplined Expenditure Management

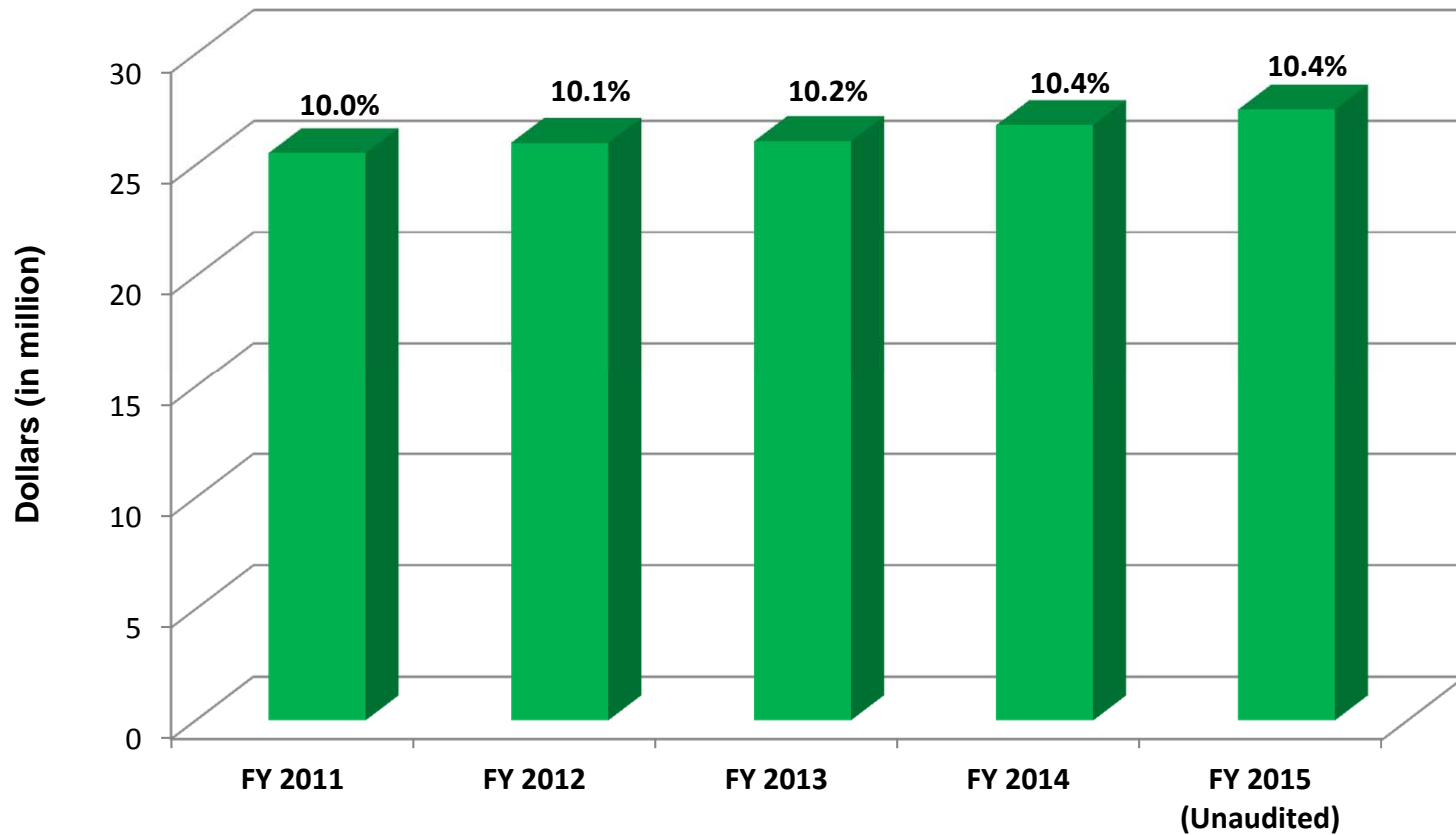
- Prudent management of contingency and operational funding
- Strong expenditure control enabled additional funding of reserves and capital

Increase in City Funding of Schools



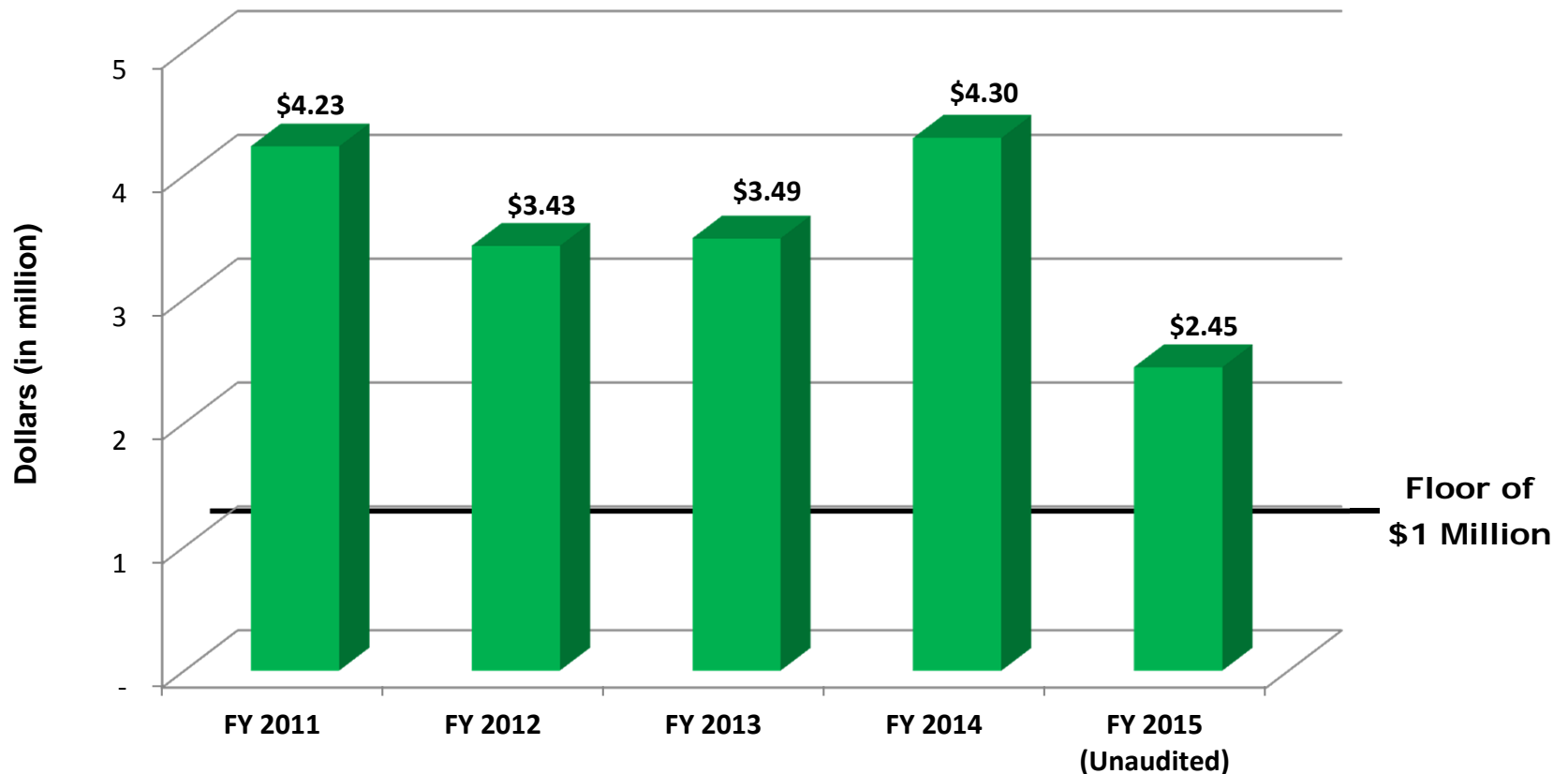
Source: School CAFR FY 2011 – FY 2014 and Unaudited FY 2015 Financial Statements

City Unassigned General Fund Balance Exceeds Policy Target of 10%



Source: City of Roanoke CAFR FY 2011-FY 2014 and Unaudited FY 2015 Financial Statements

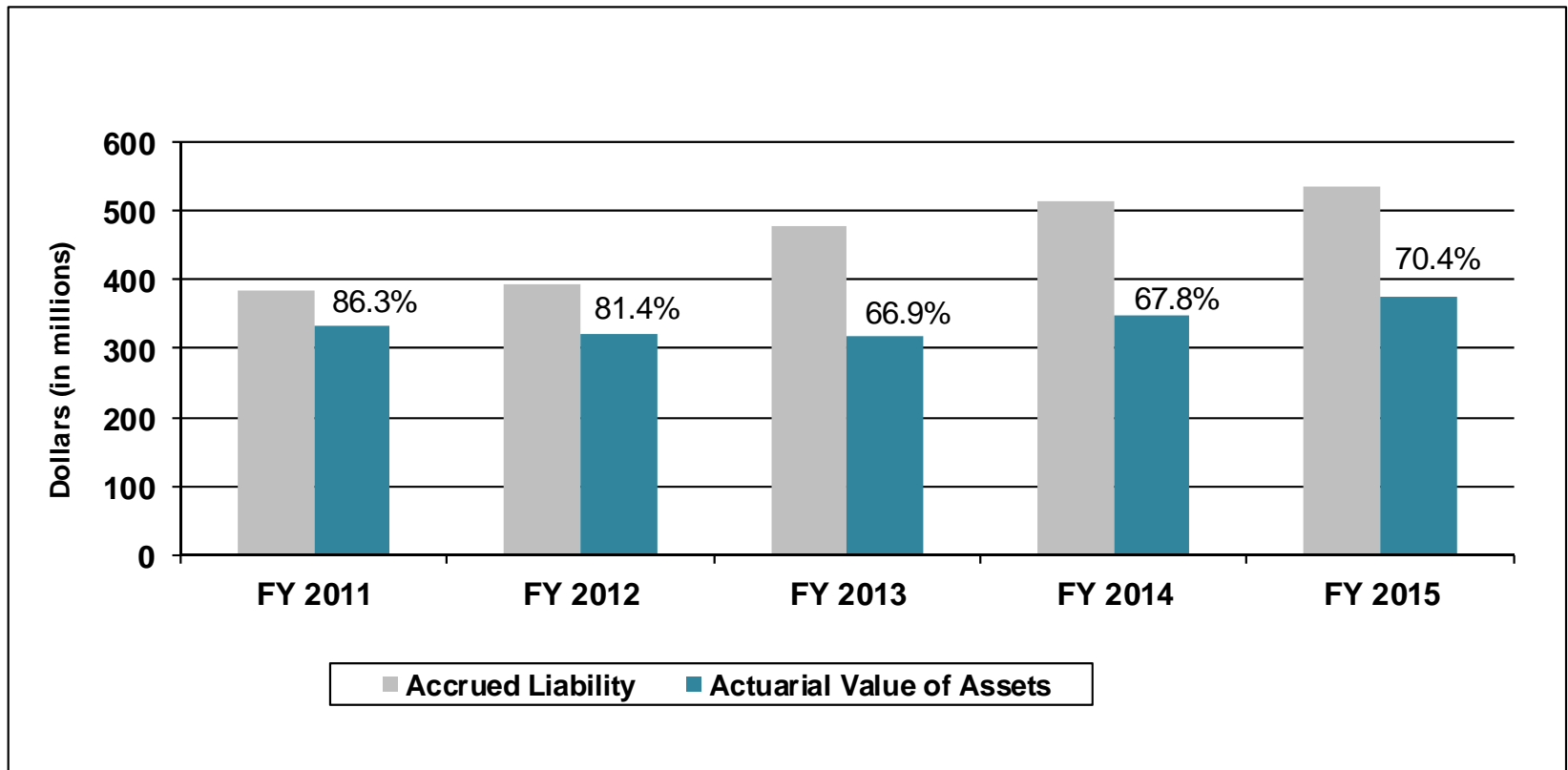
Economic & Community Development Reserve Remains Well Above Floor



Funded by proceeds from sale of property and interest income on the unspent capital funds.

Source: City of Roanoke CAFR FY 2011-FY 2014 and Unaudited FY 2015 Financial Statements

Pension Plan Funded Status Affected by GASB 67



Source: Milliman Consultants and Actuaries, Cheiron Inc.;
Annual Pension Actuarial Valuations



In Conclusion

- FY15 was another positive year
- Several revenues increased more than 5% compared to FY14
- Strong expenditure control
- Progress in reserve funding
- City Pension Plan funded ratio increased from 67.8% to 70.4%